

STATE OF SOUTH CAROLINA

(Caption of Case)

Petition of Office of Regulatory Staff to Establish
Dockets to Consider Implementing the Requirements
of Section 1251 (Net Metering and Additional
Standards) of the Energy Policy Act of 2005

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2005 - 385 - E

(Please type or print)

Submitted by: Len S. AnthonySC Bar Number: 405Address: Progress Energy Carolinas, Inc.Telephone: 919/546-6367P. O. Box 1551, PEB 17A4Fax: 919/546-2694Raleigh, NC 27602

Other: _____

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously

☐ Other: _____

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)			
<input checked="" type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input checked="" type="checkbox"/> Letter	<input type="checkbox"/> Request	
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certificati	
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigatic	
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement	
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment	
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter	
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response	
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery	
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition	
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation	
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena	
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff	
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:	
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest		
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit		
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report		



November 27, 2007

The Honorable Charles Terreni
Chief Clerk/Administrative
Public Service Commission of South Carolina
P. O. Drawer 11649
Columbia, South North Carolina 29211

RE: Compliance Filing of Net Metering Riders
SCPSC Docket No. 2005-385-E

Dear Mr. Terreni:

Pursuant to Commission Order No. 2007-618 in the above reference docket, Progress Energy Carolinas, Inc. (PEC) submits for approval an original and one copy of its (1) Net Metering for Renewable Energy Facilities Rider NM-3A and (2) Net Metering for Renewable Energy Facilities (Excess Energy Sales) Rider NME-1. Collectively, these two riders provide qualifying customers with the option of utilizing either a time-of-use tariff or a flat energy rate schedule while receiving an economic advantage for self-generation in excess of consumption. This results in a choice between two rate options for customers installing certain types of self-generation in compliance with the Commission's order.

Net Metering for Renewable Energy Facilities Rider NM-3A is unchanged from PEC's Evans Exhibit No.1, as filed on April 25, 2007, except the Availability provision is revised to remove the retention of "green tags" by PEC associated with any accumulated excess energy at year-end.

The Commission has deferred addressing the ownership of "green tags" until a viable market exists. Rider NM-3A requires the customer receive service under a time-of-use tariff with a demand component.

Net Metering for Renewable Energy Facilities (Excess Energy Sales) Rider NME-1 permits service under any standard tariff, including tariffs with flat energy rates. The provisions of Rider NME are similar to Rider NM with the Types of Service, Special Conditions, Contract Period and General paragraphs being identical. The Availability restrictions on generation type and capacity limits are also unchanged. In addition to the charges from the customer's applicable schedule, a monthly Metering Facilities Charge of \$3.10 applies to recover the increased cost of time-of-use metering required to provide this service. This charge is identical to the difference in the Basic Facilities Charge rates in the standard and time-of-use residential schedules and does not apply when electric service is provided under a time-of-use schedule.

Rider NME also provides for a credit at current on-peak and off-peak "Energy Credits" found in PEC's current Cogeneration and Small Power Producer Schedule CSP for any Excess Energy

delivered to PEC. The "Capacity Credit" found in Schedule CSP does not apply since excess generation is not expected during the system peak. Excess Energy is defined in the tariff as energy produced by a customer's generation that exceeds the energy delivered by PEC at a given time. The Commission has previously found that the avoided cost rates stated in Schedule CSP offer the appropriate value for energy delivered to the PEC system from a customer's generator. Time-of-use hours are defined in the rider and are identical to the hours contained in the residential time-of-use schedules. The Excess Energy credit in the current month will offset billing under the standard schedule, but in no case will the credit offset the Basic Customer Charge, monthly Metering Facilities Charge, or any applicable Additional Facilities charge. Accumulated excess credits not used to reduce the monthly bill will carry-forward to the next billing month, but shall be reset annually at zero on May 31st, if unused. This annual reconciliation is identical to the approach in Rider NM.

A copy of Net Metering for Renewable Energy Facilities Rider NM-3A and Net Metering for Renewable Energy Facilities (Excess Energy Sales) Rider NME-1 and attached as Exhibit Nos. 1 and 2, respectively.

Very truly yours,

/s/

Len S. Anthony
Deputy General Counsel - Carolinas

Enclosures

Carolina Power & Light Company
d/b/a Progress Energy Carolinas, Inc.
(South Carolina Only)

NET METERING FOR RENEWABLE ENERGY FACILITIES
RIDER NM-3A

AVAILABILITY

This Rider is available in conjunction with Company's Residential Service Time-of-Use R-TOUD or Small General Service Time-of-Use SGS-TOU Schedules to Customer who operates a solar photovoltaic, wind-powered, biomass-fueled, or micro-hydro generating system located and used at Customer's primary, legal residence or business where a part or all of the electrical requirements of Customer can be supplied from Customer's generating system. The rated capacity of the generating system shall not exceed the lesser of Customer's estimated maximum annual kilowatt demand or 20 kilowatts for a residential system or 100 kilowatts for a non-residential system. The generating system that is connected in parallel operation with service from Company and located on Customer's premises must be manufactured, installed and operated in accordance with governmental and industry standards and must fully conform with Company's "Standard for Interconnecting Small Generation 100 kW or Less with Electric Power Systems." Standby Service provisions shall not be required when service is used in conjunction with this Rider.

The provisions of the Schedule with which this Rider is used are modified only as shown herein. Customer may not simultaneously receive service under this Rider and Company's Cogeneration and Small Power Producer Schedule.

This Rider is available on a first-come, first-served basis, except that the aggregate capacity of Customer-generators shall not exceed 0.2% of Company's South Carolina retail peak load for the prior calendar year. If Customer's proposed installation results in exceeding the limit, Customer will be notified that service under this Rider will not be allowed.

TYPE OF SERVICE

This Rider is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one kilowatt-hour meter.

MONTHLY RATE

An amount computed under the rate schedule and any other applicable riders with which this Rider is used, as adjusted to reflect Excess Energy delivered to Company as follows:

1. Customer's on-peak usage for service rendered shall be reduced by the sum of (a) any on-peak Excess Energy delivered to Company in the current month plus (b) any accumulated on-peak Excess Energy balance from prior months. In no case shall the on-peak kWh billed be less than zero.
2. Customer's off-peak usage for service rendered shall be reduced by the sum of (a) any off-peak Excess Energy delivered to Company in the current month plus (b) any accumulated off-peak Excess Energy balance from prior months plus (c) any accumulated on-peak Excess Energy balance in the current or prior months that was not used to reduce on-peak usage. In no case shall the off-peak kWh billed be less than zero.
3. Customer's on-peak and off-peak demands for service rendered shall be billed pursuant to the applicable schedule. In months when demand charges are prorated based upon seasonal on-peak usage and the usage to be billed exceeds the Excess Energy available to reduce such usage, Excess Energy delivered to Company shall be used to reduce billed kWh usage based upon the ratio of on-peak energy consumed in each season.

4. In no case shall the energy (kWh based) portion of the Customer's billing be less than zero.
5. Excess Energy not used in the current billing month to reduce billed kWh usage shall be accumulated and used to reduce usage in future months; however, any accumulated Excess Energy not used to reduce billed kWh usage shall be set to zero each May 31st. Excess Energy delivered prior to May 31st will only be used to reduce usage provided by Company prior to May 31st. There will be no compensation paid to Customer for Excess Energy granted to Company.

DEFINITIONS

1. Excess Energy delivered to Company shall be defined as energy produced by Customer's generation that exceeds the energy delivered by Company at a given time. This Excess Energy shall be used to reduce energy delivered and billed by Company during the current or a future month, as provided in the Monthly Rate provision.
2. The on-peak and off-peak periods shall be as defined in the applicable time-of-use schedule.

SPECIAL CONDITIONS

1. Customer must execute an "Application to Interconnect Small Generation 100 kW or Less" and an "Interconnection Agreement for Small Generation Less Than 100 kW" prior to receiving service under this Rider. The Agreement shall include Company's "Standard for Interconnecting Small Generation 100 kW or Less with Electric Power Systems" that describes the conditions related to interconnection of Customer generation with Company's electrical system.
2. Customer's service shall be metered with a single, bi-directional meter, which records independently the flow of electricity in each direction through the meter.
3. In the event Company determines that it is necessary to install a dedicated transformer or other equipment to protect the safety and adequacy of electric service provided to other customers, Customer shall pay a Monthly Facilities Charge as specified in Company's Service Regulations for the additional estimated cost of the dedicated transformer or other equipment above the estimated cost which Company would otherwise have incurred, except that the minimum Monthly Facilities Charge can be less than \$25.00.
4. Customer grants Company the right to install, operate, and monitor special equipment to measure Customer's load, generating system output, or any part thereof and to obtain any other data necessary to determine the operating characteristics and effects of the installation. Customer also grants Company the right to utilize Customer's telephone line to transmit data from Company's meter and special equipment.

CONTRACT PERIOD

The Contract Period for service under this Rider shall be one (1) year and thereafter shall be renewed for successive one-year periods. After the initial period, Customer may terminate service under this Rider by giving at least sixty (60) days previous notice of such termination in writing to Company.

Company reserves the right to terminate service under this Rider at any time upon written notice to Customer in the event that Customer violates any of the terms or conditions of this Rider, or operates the generating system in a manner which is detrimental to Company or its customers.

GENERAL

Service rendered under this Rider is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

Effective for service rendered on and after _____
 SCPSC Docket No. 2005-385-E, Order No. _____

Carolina Power & Light Company
d/b/a Progress Energy Carolinas, Inc.
(South Carolina Only)

NET METERING FOR RENEWABLE ENERGY FACILITIES
EXCESS ENERGY SALES
RIDER NME-1

AVAILABILITY

This Rider is available in conjunction with Company's residential service and general service schedules to Customer who operates a solar photovoltaic, wind-powered, biomass-fueled, or micro-hydro generating system located and used at Customer's primary, legal residence or business where a part or all of the electrical requirements of Customer can be supplied from Customer's generating system. The rated capacity of the generating system shall not exceed the lesser of Customer's estimated maximum annual kilowatt demand or 20 kilowatts for a residential system or 100 kilowatts for a non-residential system. The generating system that is connected in parallel operation with service from Company and located on Customer's premises must be manufactured, installed and operated in accordance with governmental and industry standards and must fully conform with Company's "Standard for Interconnecting Small Generation 100 kW or Less with Electric Power Systems." Standby Service provisions shall not be required when service is used in conjunction with this Rider.

This Rider is available on a first-come, first-served basis, except that the aggregate capacity of Customer-generators shall not exceed 0.2% of Company's South Carolina retail peak load for the prior calendar year. If Customer's proposed installation results in exceeding the limit, Customer will be notified that service under this Rider will not be allowed.

TYPE OF SERVICE

This Rider is applicable to all electric service of the same available type supplied to Customer's premises at one point of delivery through one kilowatt-hour meter.

MONTHLY RATE

An amount computed under the rate schedule and any other applicable riders with which this Rider is used, as adjusted to reflect Excess Energy delivered to Company as follows:

- I. When service is not rendered under a time-of-use schedule, a monthly Metering Facilities Charge of \$3.10 shall apply.
- II. A credit for all Excess Energy delivered to Company by Customer calculated as follows:
 - A. On-peak kWh delivered to Company shall be credited at the current approved Energy Credit rate applicable to on-peak energy contained in Cogeneration and Small Power Producer Schedule CSP.
 - B. Off-peak kWh delivered to Company shall be credited at the current approved Energy Credit rate applicable to off-peak energy contained in Cogeneration and Small Power Producer Schedule CSP.
 - C. In no case shall the energy (kWh based) portion of the Customer's billing, net of Energy Credits, be less than zero.

- III. Excess Energy credits not used in the current billing month to reduce the energy portion of the

Customer's billing shall be accumulated and used to credit energy purchases in future months; however, any accumulated Excess Energy credits not used to reduce energy billings shall be set to zero each May 31st. Excess Energy credits created prior to May 31st will only be used to reduce billings rendered by Company prior to May 31st. There will be no compensation paid to Customer for Excess Energy credits granted to Company.

- IV. Excess Energy credits cannot be used to offset the monthly Metering Facilities Charge, charges associated with Additional Facilities, or the Basic Facilities Charge billed pursuant to the applicable residential or general service rate schedule.

EXCESS ENERGY DELIVERED TO COMPANY

Excess Energy delivered to Company shall be defined as energy produced by Customer's generation that exceeds the energy delivered by Company at a given time.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

I. On-Peak Hours:

- A. Service used beginning at 12:00 midnight March 31 and ending at 12:00 midnight September 30:

The on-peak hours are defined as the hours between 10:00 a.m. and 9:00 p.m., Monday through Friday, excluding holidays considered as off-peak. (For general service schedules, the on-peak hours shall end at 10:00 p.m.)

- B. Service used beginning at 12:00 midnight September 30 and ending at 12:00 midnight March 31:

The on-peak hours are defined as those hours between 6:00 a.m. and 1:00 p.m., plus 4:00 p.m. through 9:00 p.m., Monday through Friday, excluding holidays considered as off-peak.

II. Off-Peak Hours:

The off-peak hours in any month are defined as all hours not specified above as on-peak hours. All hours for the following holidays will be considered off-peak: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after, and Christmas Day. When one of the above holidays falls on a Saturday, the Friday before the Holiday will be considered off-peak; when the holiday falls on a Sunday, the following Monday will be considered off-peak.

SPECIAL CONDITIONS

1. Customer must execute an "Application to Interconnect Small Generation 100 kW or Less" and an "Interconnection Agreement for Small Generation Less Than 100 kW" prior to receiving service under this Rider. The Agreement shall include Company's "Standard for Interconnecting Small Generation 100 kW or Less with Electric Power Systems" that describes the conditions related to interconnection of Customer generation with Company's electrical system.
2. Customer's service shall be metered with a single, bi-directional meter, which records independently the flow of electricity in each direction through the meter.

3. In the event Company determines that it is necessary to install a dedicated transformer or other equipment to protect the safety and adequacy of electric service provided to other customers, Customer shall pay a Monthly Facilities Charge as specified in Company's Service Regulations for the additional estimated cost of the dedicated transformer or other equipment above the estimated cost which Company would otherwise have incurred, except that the minimum Monthly Facilities Charge can be less than \$25.00.
4. Customer grants Company the right to install, operate, and monitor special equipment to measure Customer's load, generating system output, or any part thereof and to obtain any other data necessary to determine the operating characteristics and effects of the installation. Customer also grants Company the right to utilize Customer's telephone line to transmit data from Company's meter and special equipment.

CONTRACT PERIOD

The Contract Period for service under this Rider shall be one (1) year and thereafter shall be renewed for successive one-year periods. After the initial period, Customer may terminate service under this Rider by giving at least sixty (60) days previous notice of such termination in writing to Company.

Company reserves the right to terminate service under this Rider at any time upon written notice to Customer in the event that Customer violates any of the terms or conditions of this Rider, or operates the generating system in a manner which is detrimental to Company or its customers.

GENERAL

Service rendered under this Rider is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

Effective for service rendered on and after _____
SCPSC Docket No. 2005-385-E, Order No. _____